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## UNITED STATES DEPARTMENT OF AGRICULTURE Office of Marketing Services Washington, 25, D. C.

July 26, 1945

## COTTON AND FIBER BRANCH MEMORANDUM A-3

## Instructions for Chairmen of Boards of Cotton Examiners and Specialists in Cotton Classing

This memorandum will outline certain changes in classing procedure for the coming season and will supersede Cotton and Fiber Branch Memoranda A-1 and A-2. Although certain previous instructions are repeated here for emphasis it is not practicable to include all past instructions and regulations, the requirements of which have become common practice in our classing rooms.

- 1. Requests for Miscellaneous Classing: Requests for miscellaneous classing service, including the tag lists for CCC loan-purchase samples, should go first to the office of the secretary of the board for appropriate handling and recording. Classing will proceed after clearance of the requests by the board secretary. Any written requests for Form A service may be accepted, but for the regular Form A the printed Form CSA 1-37 "Request for Classification" may be used to as great an extent as feasible.
- Order of Classing: Cotton for certification under the Cotton Futures Act will take precedence over other cotton at future delivery points, and futures reviews will take precedence over other business at the office of the Memphis committee of the Appeal Board. In general all other classing should be handled in the order of receipt of the samples. Where congestion in an office occasionally requires some differentiation in the order in which the particular samples are to be classed. Form A reviews and Form B determinations should be handled first, and all other types of classing (except accommodation classing) in the order in which the samples are received. some instances crop samples may have to be given special attention immediately preceding reporting dates so that such samples will not be carried over into the next period.
- Form EG6: If the record of staple distribution is used it may be used only by the chairman prior to the classing of any lot of samples.
- 4. Cooperating Gin Samples: Each office will keep a record of the weight of crop samples from each cooperating gin so that the quantities for which they are entitled to credit may be disposed of for the account of such ginners in accordance with the established practice.
- 5. First Lot of Samples Received: The first lot each season from each sampling agency of an organized group and from each gin used for statistical purposes should be classed by two committees where practicable and the two classifications compared. Disagreements will be adjusted by the chairman.

- 6. Rotating Recorders: So as to assure equality of recorder service to individual classers some offices employing several classers have found it helpful to rotate recorders among the classers from day to day; that is, to permit a recorder to serve a certain classer one day, another classer the following day, and so on, so that over a period of a few days one recorder will have served with all classers. Experience seems to justify the request that this practice be followed where at all practicable.
- 7. Scope of Form A Service: Along with the regular Form A service we shall now consider as Form A business all miscellaneous classing under the Cotton Standards Act (except accommodation classing for CCC and other agencies such as experiment stations). Thus all record sheet classing for CCC sales, CCC lend-lease, the Federal Penitentiary, Atlanta, Georgia, and for the CCC loan-purchase programs will be considered Form A, even though as to loan-purchase cotton the fee will be only 15 cents and such fee will go to CCC instead of being deposited in the Treasury as Miscellaneous Receipts. Where considered advisable the Chairman may place in the upper righthand portion of a record sheet certificate the notation "issued as Form A under USCSA."
- 8. Form A Sample Certification: Except for original certificates for CCC loan-purchase program cotton, all certificates representing classifications performed on samples which are received direct from <u>public warehouses</u> or <u>bonded samplers</u> will bear a notation appropriate to indicate such fact.
- Form A Reviews: The Boards of Cotton Examiners now have authority to entertain reviews of Form A classifications and to issue second Form A Memoranda evidencing the reviews. The latter must be marked "Review Classification." Except in those instances where the original samples have retained their representative character and have remained identity preserved in the possession of the board, redrawn samples will be required for reviews. (In general, of course, samples classed under the Cotton Standards Act, except loan-purchase samples, may be returned where requested in accordance with the regulations.) Parcels in which review samples are shipped should contain no other samples. When a review is performed on samples retained in the possession of the board a notation to that effect should be made on the certificate, together with a statement that the samples were received direct from a public warehouse or bonded sampler whenever such a statement is applicable. The party at interest will have. the option of obtaining a review by the board which issued the first Form A or by the Appeal Board, generally the Memphis Committee. The original classing document should be returned with the request for review unless good reason is given for not returning it. The Form A reviews of Smith-Doxey classifications will continue as at present -- the review samples being cut by bonded samplers or by public warehousemen before submission to classing offices. Classifications will be changed on review only where it is found that the original classifications were clearly erroneous. Field offices may where necessary inform interested persons of the review privilege. amended regulations do not fix a time within which Form A reviews must be requested but in the absence of unusual circumstances such requests should be filed within 30 days.

NOTE: A review may be entertained even though a first Form A was merely for informative purposes and based on a merchant's own samples. If in such cases the original samples are classed for review purposes the review Form A will still be considered as only for informative purposes.

In any case where original samples have remained in the possession of a local board and where a review is requested at Memphis or Washington the samples may be snipped on a Government Bill of Lading. Where samples have not remained in the possession of a board the redrawn samples for review purposes must be shipped to the place of review at the expense of the owner of the cotton. If the owner requests the return of the samples after review they will be returned to him by express collect.

10. Origin of Samples: Except as disclosed by tags and where otherwise unavoidable, the origin of samples to be classed under the Cotton Standards Act will not be disclosed to classers. All samples must be classed on their merits irrespective of origin. The Act contemplates that the persons interested in the cotton will not be known to the classer. A small form such as the following has been used and is recommended to meet this requirement:

(The head recorder or sample room assistant)

	,	
Please see that this lot that identity of owner is		
Lot No.	No. B/C	
Marks		-
To be classed for:		
Grade Staple	_	
Location	-	
Direct from Warehouse	· .	
From bonded sampler	· · · · · · · · · · · · · · · · · · ·	
Informative Purposes		

ll. <u>Facsimile Signature Stamp</u>: The chairman will observe necessary safeguards, as he is responsible for documents issued over his name. The acting chairman will sign documents which he issues as Acting Chairman.

- 12. New Certificates to Replace Old Ones: The board originally issuing record sheet classifications which are now considered Form A business may transfer the classifications from such record sheets to the regular Form A Memorandum, dating the Form A the date of the original classification. If the samples came directly from a public warehouse the appropriate notation should be used to indicate this fact. (See item 15 as to recertification fees). Forms 1 under the Smith-Doxey Act cannot be converted into Form A. Here redrawn samples must be submitted for Form A classification.
- 13. Fees: All fees for grade and staple determinations under the Cotton Standards Act (except accommodation classing and CCC loan-purchase classing) will be at the rate of 25 cents per bale. In the regular Form A service it will still be permissible to determine grade only or staple only at 15 cents per bale but all classifications for CCC programs must include both grade and staple. Review classifications will be at 25 cents per bale in all cases in which both grade and staple are involved. Where in the regular Form A service grade only or staple only has been determined the review fee will be 20 cents per bale. All remittances of fees except those covering CCC loan-purchase classing are to be made payable to "Treasurer of United States." There is no change in fees under the Cotton Futures Act.
- 14. Loan-Purchase Classing Fees: The fee for loan-purchase classing will still be 15 cents per bale, payable to Commodity Credit Corporation. Remittances of collections for the account of CCC will in the future be mailed to Mr. C. G. Garman, Treasurer, Commodity Credit Corporation, Washington, 25, D. C.
- 15. Recertification Fees: Section 3 of Regulation 14 under the Cotton Standards Act relating to fees for new certificates and split certificates will apply to all cases where new certificates are issued to replace classing documents previously issued on a fee basis under the Act. Such recertification fees, at the rate of 25 cents for each new certificate covering 10 bales or less and 50 cents for each one covering more than 10 bales will be payable to Treasurer of the United States, and of course will go into the Treasury as Miscellaneous Receipts even though some recertifications may involve cotton classed and originally intended for the CCC loan or purchase programs.
- 16. CCC Requirements: So far as is known the future requirements of CCC with reference to classing for loan-purchase, sale program, lend lease, crop insurance, etc., will be the same as at present but see items 13 and 14 as to fees. Each record sheet certificate covering loan or purchase cotton should bear the following notation in the upper righthand portion: "Loan or Purchase Class Sheet".
- 17. Preliminary Classing: Occasionally some offices receive samples from trade members for classification before the owner knows which type of classing document will be required. As is being done now, it will be satisfactory to class the samples and thereafter to complete the certifications on the

regular Form A or Record Sheets, as required by the firm in order to use the cotton in desired transactions. These classifications should be reported in the daily report under the Cotton Standards Act after the certifications, and according to the categories represented by the certificates. And the firms may be billed for the service after the certifications.

In some instances, of course, where purchases are made by CCC for certain purposes, the Corporation may require that the cotton be classed after a certain date. For cotton that is to be applied to such transactions the classifications and certifications must meet the CCC requirements.

- 18. Daily Reports under the Cotton Standards Act: Until further notice the method of preparing daily reports under the Cotton Standards Act will continue as at present. This office will understand that in order to obtain a grand total of all Form A business we must combine various items on the reports. We will also understand that the figures appearing in the reports as representing ordinary Form A classifications will include samples originally certificated on the regular Form A as well as Form A reviews. We are not at present requesting separate reports on Form A reviews but office records should be so kept that the number of Form A reviews can be determined in case of need.
- 19. Loose: () The loose accumulated for the account of CCC in the classing of loan-purchase cotton will be handled in the same manner as at present. As to other loose which we accumulate and which becomes government property we have already sent instructions through Area Managers which will apply to the disposition of such material until further notice. In those instances if any where loan-purchase loose is mixed with other loose in classing rooms, chairmen will turn over to the warehouses designated to handle CCC loose the proportionate quantity which CCC is entitled to receive.
- If it should be possible to work out an arrangement for the shipment of baled loose from offices east of El Paso to the Federal Penitentiary, Atlanta, Georgia, the offices concerned will be informed through Area Managers.
- Standards and Classing -- General: We again emphasize the importance of accurate classing according to the standards under all circumstances, without knowingly hard or easy classing for any purpose. Staple determinations must be in steps of 1/32" except as to cotton below 7/8". Very small and obviously unsatisfactory samples will not be classed; new samples will be requested. Samples not in condition for classing will be conditioned as required. The chairman is responsible for supervising all work under his direction and for correcting errors in classing before documents are released; also for initiating any corrective action where circumstances require. Grade boxes representing the range of current classing will be examined and staple types pulled each morning and after lunch, before classing begins, and frequently as required in the day's work. The chairman will see that his office is supplied with current standards. Although the first duty of the classer is the classing of cotton, it is still necessary to utilize the services of all personnel in various ways in order to provide the public service for which we are responsible.

- 21. Special Factors in Classing: Close attention will always be given to high grade cotton as well as to spots, tinge's, stains, grays, the preparation factor, and to classing in odd 32nds. Some have misgivings as to whether the Boards have been calling high grades accurately according to the standards as required -- pointing to our crop statistics which snow that less than one-tenth of one percent of the 1944 crop was better than Strict Middling and that only a little more than four percent of the crop was Strict Middling. The inference suggested by these statistics should have the serious attention of all boards, and emphasizes the requirement that all classing must be strictly according to the standards, not intentionally hard or easy but in any and all cases on the standards. Committee classing is still favored when this is at all possible under working conditions from day to day. We again stress the importance of all due care, in classing carryover and crop samples. The entire cotton world is watching our crop and carryover statistics and relying on them. We must do everything possible to see that they are reliable.
- 22. Below Grade: Cotton that is lower in grade than the lowest grades of the various color groups will be classed as Below Grade, but a staple length may be assigned. The Below Grade designation must be used regardless of the fact that some such cotton may seem to have a value comparable with certain low grade cottons within the official standards. Where there are reasons for doing so, below grade cotton may be further described as, for example, "Below MSp", "Below GO", etc.
- 23. Perished Staple: The classification sheet entry for such cotton will indicate merely that it is perished staple and no length will be assigned. The grade, however, may be determined and stated.
- 24. Irregular, Weak, Wasty and Immature Staple: The length to which reduced, the length from which reduced, and the reason for reduction will be stated. If reduction as to length is to less than 3/4", the designation will be "Below 3/4". It may as a rule be impracticable in the classing of this cotton to make distinctions calling for reductions of only 1/32", but the rule is that reductions on account of character defects may be 1/32", 1/16", 3/32", or to any degree necessary to reflect the board's opinion as to the extent of the deficiency for example, "13/16", reduced from 1-3/32" a/c irregular and wasty staple". Some offices have not properly understood this requirement.
- 25. Other Special Condition Cotton: All offices are aware of the requirement that such special conditions as reginned, repacked, false-packed, mixed-packed, and water-packed must be noted on the certificates and that as to gin damage a bale is designated as "gin-cut" only if the reduction is more than two grades. Such notations as the following have been suggested for certain types of special conditions to be used as notations on certificates.

"Reginned cotton"

"Has the appearance of reginned cotton"

"Oily"

"Has the appearance of machined cotton"

"Reduced in grade value a/c excessive sand"

"Below Grade, reduced from Strict Middling a/c extraneous matter -- wire grass"

"Below Grade, reduced from Low Middling a/c excessive dust"

"Strict Low Middling and Middling -- has the appearance of loose cotton"

and the like. The bales to which such notations apply may generally be indicated by the use of asterisks (\*).

NOTE: It is rumored from time to time that some of our offices are not identifying reginned cotton in their certificates.

- Brights and Light Spots: So far as our work is concerned it has never been permissible to use the bright description merely to indicate split grade values. In classing cotton for commercial transactions in which the term bright is a factor the designation may be for example "SLM (Bright)", provided the grade is Strict Low Middling and provided the cotton is equal in brightness to or brighter than the brightest sample in the Strict Low Middling box. In classing cotton for similar transactions involving the light spotted descriptions the designation may be, for example, "SLM Sp (LtSp)", provided the grade is Strict Low Middling Spotted and provided the cotton is light spotted.
- 27. Mechanically Harvested Cotton: Some offices will be required to class mechanically harvested cotton. Such cotton will be graded and stapled on its merits according to the standards. It is to be expected that the leaf will differ in appearance from that ordinarily observed, but in arriving at the grade the quantity of leaf will be taken into account in the same manner as the leaf in any other cotton. Where applicable the rule will be applied that cotton which contains a combination of color, leaf and preparation not within any one grade of the official standards shall be designated according to the grade "which is equivalent to, or if there be no exact equivalent is next below the average of all the factors that determine the grade of the cotton."
- 28. Foreign Cotton: Whenever a board issues a Form A Memorandum for samples known to represent Mexican or other foreign cotton a notation to the following effect will be typed on the Form A: "These samples of Mexican (or other foreign cotton) have been classed for informative purposes according to the official standards. Such standards legally apply to cotton grown in the continental United States."

- 29. Cotton Mill Waste: Occasionally a board receives samples from bales of reprocessed comber waste, card strips, or other cotton mill waste. These samples should be returned unclassed as we have no standards for such material. This rule will apply also to any mixtures of cotton mill waste with ordinary ginned lint.
- 30. Check Samples: Chairmen will see that check samples in 25-sample lots are sent to the Board of Supervising Cotton Examiners each day on which 100 or more samples are classed unless otherwise arranged with BSCE. The check samples will be selected at random during the day as the samples are classed and without reclassing by the individual classer. The classer will not know when the samples are classed that they will be used as check samples. The classification of the samples in each lot representing the work of a classer or committee will be listed on one sheet. Such lot may include different categories of classing such as loan-purchase; Smith-Doxey, Form A, etc., but such different categories should be grouped separately on the sheet. To save classing time BSCE requests that the bale numbers be listed numerically and suggests that the recorder should be able to copy the sheet in this manner within a few minutes time after classing for the day is finished. BSCE should be informed as to the particular samples, if any, that are to be returned. Each such lot will be checked by BSCE as a mixed lot. Only one check lot for any one classer need be submitted for any one day but check samples should be in about the same proportion as the different categories of samples on which the classer has been employed. Of course any board may submit special check samples from any particular lot on which advice is wanted.

The chairman himself will from day to day submit check samples representing his own work. The chairman may have to deviate from the foregoing procedure in selecting his own individual check samples where he is not at the time classing separately at his own table.

The chairman will carefully explain to temporary classers the importance of "blind" check samples and their helpfulness in coordinating the classing work of all offices.

If because of emergencies BSCE should temporarily authorize deviations from the above procedure at any offices. Washington and Area Managers will be informed immediately.

- 31. Lot Numbers for Check Samples: Check lots will be numbered consecutively throughout the season beginning with No. 1, regardless of the types of classing represented.
- 32. Shipping Check Samples: A tag will be attached to the outside of each sack, the tags to bear the check lot number and show the office of origin

and the date classed. The sack or sacks of samples will be shipped in separate containers to the Board of Supervising Cotton Examiners, 1132 Falls Building, Memphis, Tennessee. The shipping tag attached to the sack should show the bill of lading number. Make a record in triplicate from the classification sheets or classification check sheets showing the following for check lots: lot number, classer, office, date classed, sample numbers, grade, preparation, staple length, and any special conditions. The original and at least one carbon copy will be mailed to the Board of Supervising Cotton Examiners, attention Statistician.

- 33. Samples of Which the Classifications Are Not in Agreement: The samples on which there is a real difference of opinion will be returned to the office of origin by the Chairman of the Board of Supervising Cotton Examiners along with whatever comments he may find necessary. Those samples on which there is agreement will be disposed of as loose in the usual manner by BSCE unless there are reasons for returning them to the originating office.
- 34. Check Samples for Carry-over: Check samples representing carry-over cotton classed in the regular classing offices will be handled in the manner prescribed above. Check samples need not be submitted for carry-over cotton classed in other than the regular classing offices.
- 35. Check Samples Representing Irrigated Cotton: Check samples originating at El Paso and Bakersfield will be shipped to our office at Phoenix, Arizona, and Phoenix check samples held at Phoenix, except as otherwise directed. Such separate instructions as may be required with reference to samples originating in the Western Area will be issued from time to time.
- 36. Disagreements between Local Boards and BSCE: In view of the heavy burden on the Washington staff of the Appeal Board we hope that for the most part such differences can be adjusted between the local boards and the Supervision Board. It will still be understood, however, that in cases of substantial disagreement there will be a procedure whereby Washington can examine the sample. For this purpose the local boards should return the samples in dispute to BSCE with the request that if BSCE is still in substantial disagreement it send the samples to Washington. The samples will be examined upon receipt in Washington and the results reported back to Memphis and the local Board. The samples will be returned direct to the local Board, or through BSCE as circumstances seem to require.
- 37. Outturns on Check Samples: In general these records are not for distribution but the chairman will go over with individual classers each outturn that is substantially out of line or outturns indicating a hard or easy tendency. If temporary classers so desire there will be no objection to turning over their sheets to them. The sheets for permanent men will be kept on file in the office and accessible to them on request. It should be understood that although the checking of supervision samples is making a very important contribution to classing accuracy and uniformity, there are also other important factors that contribute to the classer's overall efficiency.

38. Visits by Trade Committees: It is not permissible for anyone other than our own employees to be present at classing tables while cotton is being officially classed. (A somewhat similar rule applies to the work of the Cotton States Arbitration Board which is maintained by the shippers and mills.) When a trade committee calls, the chairman should welcome them, discuss with them in general terms how the grades and staples are running, and if any classed samples are on hand demonstrate the work to the committee by laying out lots of representative samples and informing the committee as to the grades and staples already assigned. Any significant comments made by members of the committee will be reported to the Area Manager and to Washington. The chairman will not inform the committee as to the ownership of any such cotton.